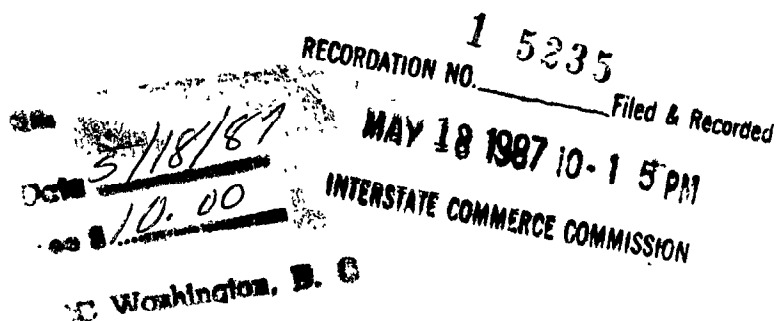


REX LEASING



May 15, 1987

Ms. Mildred Lee
Interstate Commerce Commission
12th & Constitution Ave., N.W.
Room 2303
Washington, D.C. 20423

Dear Ms. Lee:

Enclosed please find an original and two copies of a Letter Agreement dated May 6, 1987 between Rex Leasing, Inc., 616 Palisade Avenue, Englewood Cliffs, New Jersey, LESSOR, and Cargill, Inc., Minneapolis, Minnesota, LESSEE, respecting 25 covered hopper cars.

The Leases are properly notarized and we are enclosing a check for \$10.00 payable to the Interstate Commerce Commission for recording. Please send us back a stamped recorded copy.

Thank you for your kind cooperation.

With best regards, I remain,

Most cordially yours,

Mark A. Salitan
President

MAS:jgm
Encl.

Interstate Commerce Commission

Washington, D.C. 20423

5/19/87

OFFICE OF THE SECRETARY

Mark A Salitan
President
Rsx Leasing, Inc.
616 Palisade Avenue
Englewood Cliffs, New Jersey 07632

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/18/87 at 10:15am , and assigned recordation number(s). 15235

Sincerely yours,

Noreta R. McGee
Secretary

Enclosure(s)

1 5235

RECORDATION NO. _____ Filed & Recorded

LEASE AGREEMENT

MAY 18 1987 10-1 5 PM

INTERSTATE COMMERCE COMMISSION

This Lease Agreement, made as of this 6th day of May, 1987 between Rex Leasing, Inc., a New Jersey corporation, 616 Palisade Ave., Englewood Cliffs, N.J. as Agent for Car Owners (hereinafter referred to as "REX" or "LESSOR"), and CARGILL, INC. a Delaware corporation (the "LESSEE"), as Lessee.

RECITALS

Lessee desires to lease from REX as Lessor certain railroad cars hereinafter specifically designated, all upon the rentals, terms and conditions set forth in this Lease.

AGREEMENT

It is Agreed:

1. Lease of Cars. REX agrees to lease to Lessee and Lessee agrees to and does hereby lease from REX railroad cars of the number of units, model, type, construction and such other description (hereinafter referred to as the "Cars") as is set forth in Schedule 1 attached hereto and by this reference made a part hereof and as set forth in Schedules which may from time to time be added to this Lease and thereby made a party hereof.

2. Delivery of Cars. REX shall deliver the cars immediately, and will be considered upon changing of markings on each individual car, and the loading under new marks, delivered, for the purpose of earnings. For the purpose of lease term, delivery will be considered at the date upon which markings are changed and loadings completed on the last car.

3. Use and Possession. Throughout the continuance of this Lease so long as Lessee is not in default hereunder, Lessee shall be entitled to possession of each Car from the date the Lease becomes effective as to such Car and shall use such Car on its own property or lines or in the usual interchange of traffic; provided, however, that Lessee agrees that the Cars shall at all times be used (i) in conformity with Interchange Rules; (ii) in compliance with the terms and provisions of this Leases; (iii) in a careful and prudent manner, solely in the use, service and manner for which they were designed; (iv) only within the continental limits of the United States of America or in temporary or incidental use in Canada and Mexico.

4. Term. This Lease shall be effective through and including five years from the date of delivery as defined in paragraph 2, amended

5. Payment. Lessee shall make payment of all sums due hereunder to REX immediately available funds at the address provided in paragraph 15 hereof, or such other place as REX may direct. Rental payments shall be made in accordance with normal car hire receipts monthly.

6. Title. Title to the Cars shall remain that of the Lessor.

7. Maintenance. All running repairs will be for the account of REX. Any party replacements or additions made to any Car shall be accessions to such Car and title thereto shall immediately vest in REX. Improvements and changes will be at the expense of the LESSEE.

8. Abatement of Rent. If cars are out of service for major repairs, or destroyed, these cars will be removed from rental from the date of notification and returned to rental as of the date released from a repair facility.

9. Liens. Lessee shall keep the Cars free from any and all encumbrances or liens in favor of anyone claiming by, through or under Lessee which may be a cloud upon or otherwise affect REX'S title, including, but not limited to liens or encumbrances which arise out of any suit involving Lessee, or any act or omission of Lessee or Lessee's failure to comply with the provisions of this Lease, and Lessee shall promptly discharge any such lien, encumbrances or legal process.

10. Indemnities - Patent Covenants. Lessee agrees to indemnify REX and hold it harmless from any loss, expense or liability which REX may suffer or incur from any charge, claim proceeding, suit or other event which in any manner or from any cause arises in connection with the use, possession or operation of a Car while subject to this Lease, excepting only any such loss, expense or liability which arises solely from REX'S negligence Rex agrees to indemnify Lessee and save it harmless against any charge, loss, claim, suit, expense or liability arising out of or on account of the use or incorporation by REX upon delivery of a Car or upon the making of repairs thereto by REX, of any invention or the infringement of any patents, except if such invention was used or incorporated by reason of Lessee's

specifications. The term "REX" shall mean and include any subsidiary, parent or affiliated corporation for all purposes of this paragraph 10. Lessee's indemnity shall not eliminate the rights given Lessee under any manufacturer's warranty assigned to it pursuant to paragraph 16. The indemnities and assumptions of liability herein contained shall survive the termination of this Lease. Each party shall upon learning of same, give the other prompt notice of any claim or liability hereby indemnified against.

11. Return of Cars. Upon the expiration or termination of this Lease, Lessee shall at its sole cost and expense forthwith surrender possession of such Car to REX at interchange. Each Car so surrendered shall be in the same or as good condition, order and repair as when delivered to Lessee, wear and tear from ordinary use and the passage of time excepted, shall be in need of no repairs, and shall be free from all accumulations or deposits from commodities transported in or on the Cars while in the service of Lessee. Lessee agrees to provide storage at its expense, upon the request of REX for any and all of the Cars for a period of sixty (60) days from the date of expiration or termination of this Lease. Nothing in this Paragraph 11 shall give Lessee the right to retain possession of any Car after expiration or termination of this Lease with respect to such Car except as provided herein.

12. Default. If Lessee shall fail to make any payment required hereunder within 30 days after same shall have become due or shall default or fail for a period of 30 days after notice thereof in the due observance or performance of any covenant, condition or agreement required to be observed or performed on its part hereunder, or if a proceeding shall have been commenced by or against Lessee under any bankruptcy laws, Federal or State, or for the appointment of a receiver, assignee or trustee of Lessee or its property, or if Lessee shall make a general assignment for the benefit of creditors, then and in any of said events REX may at its election:

(a) terminate this Lease by written notice to such effect, and retake the Cars and thereafter recover as liquidated damages for loss of a bargain and not as a penalty, any and all damages sustained by reason of Lessee's default in addition to all rental unpaid as of said date; or

(b) without terminating the Lease repossess the Cars, and may relet the same or any part thereof to others upon such rental and other terms as it may see fit. The proceeds of any such reletting shall first be applied to the expenses (including reasonable attorneys' fees) of retaking and reletting of the Cars and delivery to the new Lessee and then to the payment of rent due under this Lease. Lessee shall pay any deficiency remaining due after so applying the proceeds as the same shall accrue. REX shall not be obligated to accept any Lease offered by Lessee, or to do any act or exercise any diligence

whatsoever in the procuring of another lessee to mitigate the damages of Lessee or otherwise. The election by REX to relet the Cars and the acceptance of a new Lessee shall not operate to release Lessee from liability for any existing or future default in any other covenant or promise herein contained. The obligation to pay such deficiency or any sum or sums due and unpaid or any damages suffered by reason of Lessee's default hereunder shall survive the termination of the Lease and the retaking of the Cars.

The remedies provided in this Paragraph 12 in favor of REX shall not be deemed exclusive but shall, where not by rule of law inconsistent with each other, be cumulative and may be availed of singly, in combination, or all together and in any order, and shall be in addition to all other remedies in REX'S favor existing at law or in equity. The Lessee hereby waives any mandatory requirements of law now or hereafter in effect which might limit or modify any of the remedies herein provided to the extent that such waiver is permitted by law.

13. Sublease and Assignment. The right to assign this Lease by either prty and the Lessee's right to sublease shall exist only as follows:

(a) Lessee shall have no right to assign or sublease or loan any of the Cars without the prior written consent of REX, which consent shall not be unreasonably withheld, provided, however, tht Lessee shall have the right to sublease any of the Cars to its wholly owned affiliates, or may sublease, for a term not exceeding one year to a responsible company as determined by the Lessee (without being released from the obligations hereunder). Any such sublease shall be upon terms which are in compliance with all applicable Interchange Rules, tariffs, regulations and laws and all terms and conditions of this Lease.

(b) all rights of REX hereunder may be assigned, pledged, mortgaged, transferred or otherwise disposed of either in whole or in part without notice to or consent of Lessee. This Lease and Lessee's rights hereunder are and shall be subject and subordinate to any lease to REX chattel mortgage, security agreement or equipment trust or other security instrument covering the Cars heretofore or hereafter created by REX provided only that so long as Lessee is not in default under the Lease, Lessee shall be entitled to the peaceful and quiet possession of the Cars. If REX shall have given written notice to Lessee stating the identity and post office address of any assignee entitled to receive future rentals and any other sums payable to Lessee hereunder, Lessee shall thereafter make such payments to the designated assignee.

The making of an assignment or sublease by Lessee or an Assignment by REX shall not serve to relieve such party of any liability or undertaking hereunder nor to impose any liability or undertaking hereunder upon any such assignee or sublessee except as otherwise provided herein or unless expressly assumed in writing by such sublessee or assignee.

14. Opinion of Counsel. Upon the request of REX or its assignee, Lessee will deliver to REX an opinion of counsel for

for Lessee, addressed to REX or its assignee in form and substance satisfactory to counsel for REX on its assignee, which opinion shall be to the effect that:

(a) Lessee is a corporation duly organized and validly existing in good standing under the laws of the state of its incorporation, and has corporate power and has taken all corporate action necessary to enter into this Lease and carry out its obligations hereunder;

(b) This Lease has been duly executed on behalf of Lessee and constitutes the legal, valid and binding obligation of Lessee, enforceable in accordance with its terms subject to limitations as to enforceability imposed by the laws of bankruptcy, insolvency, moratorium and similar laws affecting creditor's rights;

(c) The Cars which are then subject to the Lease are held by Lessee under and subject to the provisions of this Lease prior to any lien, charge or encumbrance in favor of anyone claiming by, through or under Lessee; and

(d) no governmental, administrative or judicial authorization, permission, consent, or approval or recording is necessary on the part of Lessee in connection with this Lease or any action contemplated on its part hereunder.

15. Agency. It is understood that REX, Rex Railways is acting hereherein in the capacity as Agent for the Car Owners.

16. Notice. Any notice required or permitted to be given pursuant to to the terms of this Lease shall be properly given when made in wrwriting, deposited in the United States mail, registered or certified, postage prepaid, addressed to:

REX at:
616 Palisade Ave.
Englewood Cliffs, N.J.
07632

Lessee at: P. O. Box 9300
Minneapolis
Minnesota 55440

or at such other addresses as REX may from time to time designate by such notice in writing and to Lessee at the address above or any such other address as Lessee may from time to time designate by notice in writing.

17. Warranty. REX agrees to assign to Lessee such rights as it may have under warranties, if any, which it may have received from the manufacturer of any Cars or parts therefore and shall at Lessee's expense cooperate with Lessee and take such action as may be reasonably requested to enable Lessee to enforce such rights, REX makes no warranty or representation of any kind, either express or implied, as to any matter whatsoever, including specifically but not exclusively, merchantability, fitness for a particular purpose extending beyond the description in the applicable Schedule, or the design workmanship, condition or quality of the Cars or parts thereof which Cars have been accepted by Lessee hereunder; and REX shall have no liability hereunder for damages of any kind, including specifically but not exclusively, special, indirect, incidental, or consequential damages on account of any matter which might otherwise constitute a breach of warranty or representation. Lessee represents that all of the matters set forth in Paragraph 17 (a), (b) and (c) shall be and are true and correct at all times tht any Car is subject to this Lease.

18. Govering Law- Writing. The terms of this Lease and all rights and obligations hereunder shall be governing by the laws of the State of New Jersey. The terms of this Lease and the rights and obligations of the parties hereto may not be changed or terminated orally, but only by agreement in writing signed by the party against whom enforcement of such change or termination is sought.

19. Counterparts. This Lease may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which may be evidenced by any signed counterpart.

20. Severability-Waiver. If any term or provision of this Lease or the application thereof to any persons or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law. Failure of REX to exercise any rights hereunder shall not constitute a waier of any such right upon the continuation or recurrence of the situation or contingency giving rise to such right.

21. Terminology. In construing any language contained in this Lease, no reference shall be made and no significance given to paragraph titles, such titles being used only for convenience of reference. Where the context so permits, the singular shall include the plural and vice versa.

22. Definitions. For all purposes of this Lease the following terms shall have the following meaning:

(a) "Interchange Rules" -- all codes, rules, interpretations, laws or orders governing hire, use, condition, repair and all other matters pertaining to the Interchange of freight traffic reasonably interpreted as being applicable to the Cars adopted and in effect from time to time by the Association of American Railroads and any other organization, association, agency, or governmental authority, including the Interstate Commerce Commission and the United States Department of Transportation, which may from time to time be responsible for or have authority to impose such codes, rules, interpretations, laws or orders.

(b) "Delivery Date" -- As specified in Paragraph 2, hereof.

(c) "Repair Work" - all repairs, maintenance, modifications, additions or replacements required to keep and maintain the Cars in good working order and repair in accordance with and on the effective date of the requirements of all Interchange Rules and preventive maintenance necessary to keep and maintain the Cars in good working order and repair.


(d) "Casualty Cars" -- Cars which are lost, stolen, destroyed or damaged beyond economic repair.

23. Benefit. Except as otherwise provided herein the covenants conditions and agreements contained in this Lease shall bind and inure to the benefit of the parties and (to the extent permitted in Paragraph 14 hereof) their successors and assigns. Without limiting the generality of the foregoing, the indemnities of the Lessee contained in Paragraph 10 hereof shall apply to and insure to the benefit of any assignee of REX, and if such assignee is a trustee or secured party under an indenture under which evidence of indebtedness has been issued in connection with the financing of the Cars, then also to the benefit of any holder of such evidence of indebtedness.

24. Taxes. All property taxes which, from time to time, during the Lease term, shall be assessed against the Cars, shall be paid by Lessee for the account of REX. REX shall reimburse Lessee for such tax payments within thirty days of receipt of Lessee's billing for such tax payments.

REX LEASING, INC. as Agent
for Car Owners

By: *Frank A. Asitani*
President



(Corporate Seal)

ATTEST:

Peter Schan
Vice President

CARGILL, INC.

By: *Gary L. Mills*
Gary L. Mills, Assistant Vice President

(Corporate Seal)

ATTEST:

M. A. Kurschner
M. A. Kurschner, Assistant Secretary

County of Bergen)

On this 7th day of May, 1987 before me personally appeared MARK A. SALITAN to me personally known, who being by me duly sworn, says that he is President of REX LEASING, INC. and PETER SCHAN to me personally known to be the VICE PRESIDENT of said corporation that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Oct. 23, 1991

County of HENNEPIN

On this 12th day of May, 1987 before me personally appeared Gary L. Mills, to me personally known, who being by me duly sworn, says that he is Assistant Vice President of Cargill, Inc. and M. A. Kurschner personally known to be the Assistant Secretary of said corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledge tht the execution of the foregoing instrument was the free act and deed of said corporation.

ANNE C. FERRY
NOTARY PUBLIC—MINNESOTA
HENNEPIN COUNTY
MY COMM. EXPIRES NOV. 7, 1990

SCHEDULE I

Description of Cars: Twenty-Five (25) 100 Ton Jumbo Covered Hopper
Cars numbered RRRX 2126-2150 inclusive

Lease Term: Five (5) Years

Rent: Year 1 \$200 per car per month (Yr 1 for the purpose
of rental term only, will begin the first
day of the month following the delivery date
of the last car, as described in Paragraph 2.

Year 2 \$200 per car per month

Year 3 \$210 per car per month

Yrs 4 & 5 \$225 per car per month, with a one-way right
of Lease Cancellation on the part of the
Lessee upon written notice postmarked (60)
sixty days prior to the end of Year 3.

Deletion of Equipment As these cars are managed by REX and owned
by individual investors, REX reserves the
right to delete a car or cars from this
Lease Agreement should an investor sell
his car, and or remove from REX'S Management,
with no need to substitute equipment or
at no penalty.

LETTER OF AGREEMENT

Concerning changes to Car Lease Agreement between Cargill, Inc.
and Rex Leasing on 25 - 100-Ton/Jumbo covered hopper cars numbered
RRRX 2126-2150,

Paragraph 2. shall read as follows:

Delivery of cars. REX shall deliver the cars immediately,
and will be considered upon changing of markings on each
individual car, and the loading under new marks delivered,
for the purpose of earnings. For the purpose of lease terms,
delivery will be considered at the date upon which markings
are changed and the cars delivered to the designated
destination requested by the consignee. Delivery will be
considered complete upon the placement date of the last car
to consignee as described above.

Schedule I.

Rent Year - 1 \$200 per car
As described in Paragraph 2 as amended.

REX LEASING, INC., as Agents for Car Owners

BY: 

CARGILL, INC.

BY: 

Gary I. Mills, Assistant Vice President